



South Carolina Department of Health
and Environmental Control

MEMORANDUM

TO: All County Governments
FROM: Stefanie Vandiver, DHEC
DATE: July 19, 2005
RE: Solid Waste Full Cost Disclosure Report And Public Notice For FY 2005

The Solid Waste Policy and Management Act of 1991 and Full Cost Disclosure Regulation 61-107.2 require that all local governments that provide solid waste management services:

- Publish annually, on or before **October 1**, a notice in a newspaper of general circulation the full cost of its solid waste management services for the previous fiscal year, and
- Submit annual Full Cost Disclosure information to the Department on or before **October 15**.

A full cost guidance document and the reports for fiscal year 2005 are enclosed.

The completed reports and a copy of the public notice must be postmarked or hand delivered by **October 15, 2005** to:

SCDHEC - Bureau of Land and Waste Management
Office of Solid Waste Reduction and Recycling
2600 Bull Street
Columbia, SC 29201-1708
Phone (803) 896-4229
Fax (803) 896-4001

The information that you provide will be incorporated into the 2005 solid waste annual report. Please be advised that failure to public notice the Full Cost information by October 1, 2005 and to submit the completed reports by October 1, 2005 will make your local government ineligible to receive grants from the Solid Waste Trust Fund.

NOTE: If this notice was addressed to the incorrect individual or was sent to you in error, please notify our office so that we can update our records. **If your government has no solid waste expenses and/or offers no solid waste services, please enter "0" on the enclosed report and explain how garbage, recycling and yard trimmings are handled for your area.**

Enclosures

**REPORT FORMS AND
GUIDANCE DOCUMENT**

ON

FULL COST DISCLOSURE

**S.C. DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
BUREAU OF LAND & WASTE MANAGEMENT
OFFICE OF SOLID WASTE REDUCTION AND RECYCLING**

Introduction

The South Carolina Solid Waste Policy and Management Act of 1991 (the Act) was designed to address the management of solid waste in the state of South Carolina. The Act requires that any local governments that provides solid waste management services publish annually, **on or before October 1**, a notice in a newspaper of general circulation, the full cost of its solid waste management services for the most recently completed fiscal year. In addition, the Act and Full Cost Disclosure Regulation 61-107.2 require that each local government submit annual Full Cost Disclosure information to the Department **on or before October 15**.

This guidance document has been developed by the SCDHEC to assist local governments in meeting the requirements of the Full Cost Disclosure Regulation.

The complete Full Cost Disclosure regulation can be located at:

http://www.scdhec.gov/lwm/regs/R61-107_2.pdf

The guidance contains a set of reports and procedures, that when properly applied, should provide an accurate accounting of the total costs incurred by waste handling and disposal activities. It should be emphasized that the system is designed to capture all cost associated with waste disposal, including direct and indirect operating costs, financial costs, large capital expenditures and contractual costs.

The immediate objective of the guidance document is to assist local governments in obtaining the information necessary to comply with the reporting requirements contained in the Full Cost Disclosure Regulation.

Local officials may realize several other benefits once the full cost accounting figures are available:

- 1) With the financial data generated by the system, local officials will be able to make informed decisions regarding solid waste management issues;
- 2) Consistent collection of the cost data will allow officials to settle short-term and long-term planning and finance issues;
- 3) The financial data, when made public, can be used to educate the public on the importance of recycling and necessity of improvements in the solid waste management program.

Full Cost Accounting System

The Full Cost Accounting System is designed to determine in an on-going fashion, the full cost of the solid waste management services provided by local governments. The forms in the guidance document provide for the systematic collection of necessary data to determine total cost. The reports in this guidance document are not intended to replace existing accounting procedures presently being utilized by local governments, but are intended to help identify information that needs to be reported.

The Full Cost Disclosure (FCD) packet includes the Full Cost Disclosure Report 1 and the Full Cost Disclosure Report 2 that must be completed and returned to the Department on an annual basis. Seven additional worksheets are provided that may be used to gather the information necessary to complete the required Reports 1 and 2. Two additional checklists are included to determine the level of services provided in your service area. Please return these checklists with Reports 1 and 2.

The accurate flow of data generated by the completion of these reports is entirely dependant on the reliable and timely completion of all of the applicable reports. Failure to complete the reports in a timely manner will result in guesswork and estimates that will not provide the level of accuracy required by the Act. A side benefit of the diligent completion of the reports will be the facilitation of budgeting and decision-making activities resulting from the determination of the actual cost of providing solid waste management services.

Full Cost Disclosure Documents

Reports 1 and 2 must be returned by October 15, 2005 along with a copy of the FCD statement that was published in the local newspaper. **The publication deadline for the FCD statement is October 1.**

Full Cost Disclosure Report 1 (Solid Waste Management Services Total Cost Report) is designed to help local governments uniformly determine the cost per capita for their solid waste operations. There are four (4) operational categories that need to be reported. These are SW Collection, SW Disposal, Recycling and Other.

Full Cost Disclosure Report 2 (Solid Waste Management Services Full Cost Accounting Summary of Costs Report) is designed to reflect the costs of Solid Waste Services incurred by local governments. The report has been organized into four program categories, SW Collection, SW Disposal, Recycling and Other. These categories will assist the Department, local governments and the public in analyzing and comparing where money is being spent by local governments. The costs on Report 2 should reflect the aggregate costs for the local government.

Worksheets

There are seven worksheets included that may help you in determining the numbers used on Report 2. These worksheets do not have to be returned.

Worksheets #1A and 1B:	Wages and Benefits
Worksheet #2:	Equipment Operations and Maintenance
Worksheet #3:	General Operations
Worksheet #4A and 4B:	Annualized Large Capital Expenditures
Worksheet #5A and 5B:	Annualized Solid Waste Facility and Landfill Development and Construction Costs
Worksheet #6:	Annualized Landfill Closure and Post Closure Costs
Worksheet #7:	Other Categories on FDC Report 2

FULL COST DISCLOSURE REPORT 1
Solid Waste Management Services Total Cost Report

Name of Local or County Government Reporting:	County (if Local Government):
Fiscal Year Beginning ____/____/20____ Ending ____/____/20____	
Population (based on most recent U.S. Census Data):	

	Net annual cost (From #23 on report 2)	Cost per capita
Solid Waste Collection		
Solid Waste Disposal		
Recycling/Composting		
Other SW Activities		
Total	\$	\$

Dated Printed in Local Newspaper: (Attach copy)
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If your government has no solid waste expenses and offers no solid waste services, enter "0" on the table above and briefly explain below how garbage collection and disposal is handled for your area:

Government Representative:	
Title:	
Phone Number:	Email:
Signature: _____ Date: _____	

Reports 1 and 2 must be returned by October 15, 2005 to:
 DHEC - Bureau of Land and Waste Management
 Office of Solid Waste Reduction and Recycling
 2600 Bull Street
 Columbia, SC 29201-1708
 Fax: 803-896-4001

FULL COST DISCLOSURE REPORT 2						
Solid Waste Management Services Full Cost Accounting Summary of Costs						
Fiscal Year:		Program Category				Totals
Annual Cost of Operation		SW Collection	SW Disposal	Recycling **	Other SW*	
1	Wages/Benefits of FT Employees *	\$	\$	\$	\$	\$
2	Administrative Support	\$	\$	\$	\$	\$
3	Equipment Operation/Maintenance*	\$	\$	\$	\$	\$
4	General Operations*	\$	\$	\$	\$	\$
5	Educational Materials/ Activities	\$	\$	\$	\$	\$
6	Cash Capital Outlays	\$	\$	\$	\$	\$
7	Lease Payments	\$	\$	\$	\$	\$
8	Contracted Services	\$	\$	\$	\$	\$
9	Professional Services	\$	\$	\$	\$	\$
10	Insurance	\$	\$	\$	\$	\$
11	Tipping Fees (paid out)	\$	\$	\$	\$	\$
12	Other:	\$	\$	\$	\$	\$
Cost of Large Capital Expenditures						
13	Annualized Large Capital Exp. *	\$	\$	\$	\$	\$
14	Annualized Landfill/SW Facility Development & Construction *	\$	\$	\$	\$	\$
15	Annualized Landfill Closure *		\$			\$
16	Cost of Debt Service (Loan and bond interest)	\$	\$	\$	\$	\$
17	Total Annual Costs: (Sum lines 1 –16)	\$	\$	\$	\$	\$
Revenues						
18	Sale of Recyclables/Energy		\$	\$		\$
19	Equipment Salvage	\$	\$	\$		\$
20	Interest Income	\$	\$	\$	\$	\$
21	Other (Do NOT include taxes)	\$	\$	\$	\$	\$
22	Total Annual Revenues: (Sum line 18 – 21)	\$	\$	\$	\$	\$
Net Annual Costs						
23	Net Annual Costs: (Subtract line 22 from17)	\$	\$	\$	\$	\$
Percentage Commercial/Residential by Program Category						
24	Estimated Percent Residential	%	%	%	%	
25	Estimated Percent Commercial	%	%	%	%	
Unit Costs						
26	Tons of Material Managed per Year					
27	Population					
28	Total Cost per Ton: (Divide line 23 by line 26)	\$	\$	\$		
29	Total Cost per Capita: (Divide line 23 by line 27)	\$	\$	\$		

* Worksheets exist for these items.

** Recycling costs include collection, processing, transporting, marketing, etc. of all recyclables and costs associated with the composting of organics.

Line Item Explanations For Full Cost Disclosure Report 2

Annual Cost of Operations

1. **Wages + Benefits:** Should include salaries and benefits of all employees associated with solid waste activities. For employees who do not work full-time in one of the program categories, their salaries should be apportioned according to their FTE in each sector. This should include the FTE of managers, public work directors and other employees whose time is split with other departments or programs. If needed, use worksheets #1A and 1B. It does not include any personnel accounted for under line 2 "administrative support."
2. **Local Government Administrative Support:** Includes the costs of general local government departments such as personnel, finance and administrative offices that support solid waste programs. Estimates are generally available from finance departments.
3. **Equipment Operation & Maintenance:** Fuel, repair service, parts/supplies, etc. If needed, use worksheet #2.
4. **General Operations:** These costs include all miscellaneous expenses associated with each program such as utilities, office supplies, building maintenance, postage, uniforms, travel expenses, training, publications, etc. If needed, use worksheet #3.
5. **Educational Materials and Activities:** Brochures, promotional items, signs, advertising airtime, etc.
6. **Cash Capital Outlays:** Equipment and other small capital expenditures spent as part of annual operations. Such costs may include bins, small equipment, software.
7. **Lease Payments:** Includes rent for buildings, vehicles, equipment, etc.
8. **Contracted Services:** Any services that are performed under contract such as hauling, collection center operation, HHW collection, etc.
9. **Professional Services:** Fees for consultants and other professional assistance.
10. **Insurance:** Property, fleet and other types of insurance.
11. **Tipping Fee:** Fees paid for garbage disposal or recycling if your local government does not operate its own landfill or MRF. Tipping fees should be separated from collection costs.
12. **Other:** Any program costs not included elsewhere in the table.

Cost of Large Capital Expenditures

13. **Annualized Large Capital Expenditures (such as equipment and transfer stations):** For capital expenditures that are used over multiple years, costs should be divided and apportioned so that each year's budget bears some of the costs (depreciated). Generally, the annual cost of the asset may be determined by dividing the purchase price by its forecast

service life. You may be able to get advice regarding annualization from your local government finance office. If needed, use worksheet #4.

- 14. Annualized Landfill Development Costs:** These costs apply only for landfills that are in operation during the fiscal year being analyzed. Funds collected during the fiscal year being analyzed but set aside for future landfills should be excluded. Landfill development costs should be annualized as in line 13. Such costs include planning, environmental investigation, construction, etc. If needed, use worksheet #5.
- 15. Annualized Landfill Closure and Post-Closure Costs:** These costs are included only if landfill is in operation during the fiscal year being analyzed. Landfill closure and post-closure costs should be annualized as in line 13. Such costs include capping, monitoring water quality, landscape maintenance, insurance, etc. If needed, use worksheet #6.
- 16. Cost of Debt Service:** This cost is the annual interest your local government may owe on loans or bonds associated with solid waste management programs. If you do not know the debt service costs, contact your finance office.
- 17. Perform Calculations.**

Revenues

- 18. Sale of Recyclables/Energy:** Revenue generated from marketing recyclable materials, landfill gas, energy, etc.
- 19. Equipment Salvage:** Revenue Generated from the sale of old equipment. To avoid sharp changes in your accounting during years that equipment is salvaged, revenues from salvage should be deducted up front from the cost of the equipment before annualizing its value. Salvage may also be accounted for a negative value in line 13 (see worksheet #4).
- 20. Interest Income:** Revenue generated from interest earned on Solid Waste Accounts.
- 21. Other:** Include other revenue sources that help defray the costs of these programs such as grants. Do not include revenue from user fees; taxes, tipping fees, and department of revenue tire fees, container sales/rentals or franchise fees. Include tipping fees only if paid on materials generated outside of the host county.
- 22. Total Annual Revenue:** Perform calculation.

Net Annual Costs

- 23. Net Annual Costs:** Perform calculation.
- 24. -25. Percentage Commercial and Residential by Program Category**
For each program area, estimate what percentage of costs applies to the residential program and what percentage applies to the commercial program.

Unit Costs

- 26 – 29. Complete Information and Calculations as Indicated.**

Services Checklist (county)

County: _____

Please check the methods by which the following services are provided.

Household Solid Waste Collection
<input type="checkbox"/> County-wide curbside performed by county <input type="checkbox"/> Limited-area curbside performed by county <input type="checkbox"/> County-wide curbside contracted by county <input type="checkbox"/> Limited-area curbside contracted by county <input type="checkbox"/> County-wide curbside contracted by household <input type="checkbox"/> Limited-area curbside contracted by household <input type="checkbox"/> Unstaffed drop-off locations provided by county <input type="checkbox"/> Staffed drop-off locations provided by county <input type="checkbox"/> Other- Please describe
Household Recycling Collection
<input type="checkbox"/> County-wide curbside performed by county <input type="checkbox"/> Limited-area curbside performed by county <input type="checkbox"/> County-wide curbside contracted by county <input type="checkbox"/> Limited-area curbside contracted by county <input type="checkbox"/> County-wide curbside contracted by household <input type="checkbox"/> Limited-area curbside contracted by household <input type="checkbox"/> Unstaffed drop-off locations provided by county <input type="checkbox"/> Staffed drop-off locations provided by county <input type="checkbox"/> Other- Please describe
Yard Waste Collection
<input type="checkbox"/> County-wide curbside performed by county <input type="checkbox"/> Limited-area curbside performed by county <input type="checkbox"/> County-wide curbside contracted by county <input type="checkbox"/> Limited-area curbside contracted by county <input type="checkbox"/> County-wide curbside contracted by household <input type="checkbox"/> Limited-area curbside contracted by household <input type="checkbox"/> Unstaffed drop-off locations provided by county <input type="checkbox"/> Staffed drop-off locations provided by county <input type="checkbox"/> Other- Please describe
Bulky Items (furniture, appliances) Collection
<input type="checkbox"/> County-wide curbside performed by county <input type="checkbox"/> Limited-area curbside performed by county <input type="checkbox"/> County-wide curbside contracted by county <input type="checkbox"/> Limited-area curbside contracted by county <input type="checkbox"/> County-wide curbside contracted by household <input type="checkbox"/> Limited-area curbside contracted by household <input type="checkbox"/> Unstaffed drop-off locations provided by county <input type="checkbox"/> Staffed drop-off locations provided by county <input type="checkbox"/> Other- Please describe

Commercial Solid Waste Collection
<input type="checkbox"/> Pickup free performed by county <input type="checkbox"/> Pickup with fee performed by county <input type="checkbox"/> Pickup by private hauler contracted by county <input type="checkbox"/> Pickup by private hauler contracted by business <input type="checkbox"/> Other- Please describe
Commercial Recycling Collection
<input type="checkbox"/> Pickup free performed by county <input type="checkbox"/> Pickup with fee performed by county <input type="checkbox"/> Pickup by private hauler contracted by county <input type="checkbox"/> Pickup by private hauler contracted by business <input type="checkbox"/> Other- Please describe
Disposal Methods (msw)
<input type="checkbox"/> Landfill-owned <input type="checkbox"/> Landfill-contracted <input type="checkbox"/> Incineration- owned <input type="checkbox"/> Incineration- contracted <input type="checkbox"/> Transfer station- owned <input type="checkbox"/> Transfer station- contracted <input type="checkbox"/> Other- Please describe
Disposal Methods (yard waste)
<input type="checkbox"/> Landfill-owned <input type="checkbox"/> Landfill-contracted <input type="checkbox"/> Transfer station- owned <input type="checkbox"/> Transfer station- contracted <input type="checkbox"/> Other- Please describe
Disposal Methods (construction and demolition debris)
<input type="checkbox"/> Landfill-owned <input type="checkbox"/> Landfill-contracted <input type="checkbox"/> Transfer station- owned <input type="checkbox"/> Transfer station- contracted <input type="checkbox"/> Other- Please describe

WORKSHEETS

WORKSHEET #1A – Wages and Benefits

Year:

Page 1 of 2

[illegible]

*Includes current expenditures made by local governments for the benefit of former MSW employees or their families.

WORKSHEET #1B – Wages and Benefits

Year:

Page 2 of 2

[illegible]

* To figure the \$ amount use the formula (A) x % = \$

WORKSHEET #2 – Equipment Operations and Maintenance

YEAR: _____

[illegible]

* To figure the \$ amount use the formula (A) x % = \$

WORKSHEET #3 – General Operations

Year: _____

Description of Expenditure	(A) Total Annual Costs (\$)	Allocation of Costs of General Operations by Program Area							
		SW Collection *		SW Disposal *		Recycling *		Other SW activities *	
		%	\$	%	\$	%	\$	%	\$
TOTALS									

* To figure the \$ amount use the formula (A) x % = \$

WORKSHEET #4A – Annualized Large Capital Expenditures

Year:

Page 1 of 2

Description of Large Capital Expenditure	Purchase Amount (a)	Anticipated Salvage (b)	Anticipated Useful Life of Asset in Years (c)	Annualized Expenditures $\frac{(a-b)}{c} = \text{\hspace{0.7cm}}$ (d)
TOTALS				

WORKSHEET #4B – Allocation of Annualized Large Capital Expenditures

Year: _____

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(A) Annualized Expenditures from 4A column d)	Allocation of Annualized Large Capital Expenditures by Program Area							
	SW Collection *		SW Disposal *		Recycling *		Other SW activities *	
	%	\$	%	\$	%	\$	%	\$
TOTALS								

* To figure the \$ amount use the formula (A) x % = \$

WORKSHEET #5A – Annualized Solid Waste Facility and Landfill Development/Construction Costs (for landfills/facilities in operation during the reported fiscal year)

Year: _____

	Expenditures (past and anticipated) (a)	Amount Previously Amortized (b)	Anticipated remaining life of facility (c)	Annual Amortization Expense (a-b)/c=(d)
Siting the Landfill/Facility (engineering, mapping, and hydro studies)				
Engineering and Design				
Legal Assistance				
Land Purchase				
Permitting Fee				
Public Meetings and Hearings				
Other Development Costs				
Roads				
Earthwork				
Erosion and Sediment Control				
Liner System				
Leachate Collection & Treatment				
Gas Venting/Control				
Construction Monitoring				
Site Landscaping				
Scale System				
Administrative Buildings				
Equipment Maintenance Area				
Site Paving				
Construction Engineering				
Upgrading Local Roads & Utilities				
Other Construction Costs				
TOTALS				

WORKSHEET #5B – Allocation of Annualized SW Facility and Landfill Development/Construction Costs (for landfills/facilities in operation during the reported fiscal year)

Year: _____

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Annualized Expenditures from 5A column d)	Allocation of annualized SW Facility and Landfill Development Expenditures by Program Area							
	SW Collection		SW Disposal		Recycling		Other SW activities	
	%	\$	%	\$	%	\$	%	\$
Siting the Landfill /Facility								
Engineering and Design								
Legal Assistance								
Land Purchase								
Permitting Fee								
Public Meetings/ Hearings								
Other Development Costs								
Roads								
Earthwork								
Erosion/ Sediment Control								
Liner System								
Leachate Control								
Gas Venting/Control								
Construction Monitoring								
Site Landscaping								
Scale System								
Administrative Buildings								
Equipment Maintenance Area								
Site Paving								
Construction Engineering								
Upgrading Local Roads & Utilities								
Other Construction Costs								
TOTALS								

WORKSHEET #6 – Annualization of Landfill/Facility Closure and Post-closure Costs

Year: _____

Activities	Past and Anticipated Expenditures	Amount Previously Amortized	Anticipated Life of Landfill	Annual Amortization Expense
	(a)	(b)	(c)	(a-b)/c=(d)
Closure Plan Preparations and Approval				
Post Closure Plan Preparations and Approval				
Site Grading, Cap, Revegetation				
Total Operations Costs for Erosion, Sediment, Leachate, and Gas Systems				
Landscape Maintenance				
Water Quality Monitoring				
Insurance				
Other Costs				
TOTALS				

WORKSHEET #7 – Other Categories on Full Cost Disclosure Report 2

Fiscal Year:		Program Category				Totals
Annual Cost of Operation		Other SW	Other SW	Other SW	Other SW	
1	Wages/Benefits of FT Employees *	\$	\$	\$	\$	\$
2	Administrative Support	\$	\$	\$	\$	\$
3	Equipment Operation/Maintenance*	\$	\$	\$	\$	\$
4	General Operations*	\$	\$	\$	\$	\$
5	Educational Materials/ Activities	\$	\$	\$	\$	\$
6	Cash Capital Outlays	\$	\$	\$	\$	\$
7	Lease Payments	\$	\$	\$	\$	\$
8	Contracted Services	\$	\$	\$	\$	\$
9	Professional Services	\$	\$	\$	\$	\$
10	Insurance	\$	\$	\$	\$	\$
11	Tipping Fees (paid out)	\$	\$	\$	\$	\$
12	Other:	\$	\$	\$	\$	\$
Cost of Large Capital Expenditures						
13	Annualized Large Capital Exp. *	\$	\$	\$	\$	\$
14	Cost of Debt Service (loan & bond interest)	\$	\$	\$	\$	\$
15	Total Annual Costs: (Sum lines 1 –14)	\$	\$	\$	\$	\$
Revenues						
16	Other Revenue Sources	\$	\$	\$	\$	\$
Net Annual Costs						
17	Net Annual Costs: (Subtract line 16 from 15)	\$	\$	\$	\$	\$
Percentage Commercial/Residential by Program Category						
18	Estimated Percent Residential	%	%	%	%	
19	Estimated Percent Commercial	%	%	%	%	
Unit Costs						
20	Tons of Material Managed per Year					
21	Population					
22	Total Cost per Ton: (Divide line 17 by line 20)	\$	\$	\$	\$	\$
23	Total Cost per Capita: (Divide line 17 by line 21)	\$	\$	\$	\$	\$

